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Electronically Recorded

Tarrant County Texas

10/20/2010 10:56 AM

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Official Public Records

PGS 3

\$24.00

Suzanne Henderson

Submitter: ACS



DALE PROPERTY SERVICES, LLC ATTN: RECORDING TEAM 500 TAYLOR ST. STE 600 FORT WORTH, TEXAS 76102

Submitter: DALE PROPERTY SERVICES, LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

DO NOT DESTROY

WARNING - THIS IS PART OF THE OFFICIAL RECORD

ELECTRONICALLY RECORDED BY ERXCHANGE

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid Up With 640 Acres Pooling Provision STANDARD LEASE

PAID UP OIL AND GAS LEASE (No Surface Use)

Electronically Recorded Chesapeake Operating, Inc.

2010, by and between CHARLES DOUGLAS MOORE MARRIED PERSON, HEREIN DEALING IN HIS SOLE AND SEPARATE PROPERTY whose address is 9909 NE 86TH VANCOUVER, WA 98662, as Lessor, and DALE PROPERTY SERVICES, L.L.C., 2100 Ross Avenue, Suite 1870 Dallas, Texas 75201, as Lessee. All printed portions of this lease were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by

1. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the following described Lessor and Lessee.

land, hereinafter called leased premises:

0.31 ACRES OF LAND, MORE OR LESS, BEING LOT 13 BLOCK 2, OUT OF THE NORTH EASTRIDGE ADDITION, AN ADDITION TO THE CITY OF HALTOM CITY, BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS IN THAT CERTAIN PLAT RECORDED IN VOLUME 388-1, PAGE 5, OF THE PLAT RECORDS OF TARRANT COUNTY, TEXAS.

in the county of TARRANT, State of TEXAS, containing <u>0.31</u> gross acres, more or less (including any interests therein which Lessor may hereafter acquire by reversion, prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and non hydrocarbon substances produced in association therewith (including geophysical/seismic operations). The term "gas" as used herein includes helium, carbon dioxide and other commercial gases, as produced in association therewith (including geophysical/seismic operations). The term "gas" as used herein includes helium, carbon dioxide and other commercial gases, as a hydrocarbon gases. In addition to the above-described leased premises, this lease also covers accretions and any small strips or parcels of land now or hereafter well as hydrocarbon gases. In addition to the above-described leased premises, and, in consideration of the aforementioned cash bonus, Lessor agrees to owned by Lessor which are contiguous or adjacent to the above-described leased premises, and, in consideration of the aforementioned cash bonus, Lessor agrees to owned by Lessor sequent any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining execute at Lessee's request any addition of the above-described leased premises, and in the land so covered. For the purpose of determining the land so covered.

2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of FIVE YEARS (5) years from the date hereof, and for as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's separator facilities, the royalty shall be TWENTY FIVE PERCENT (25)% of such production, to be delivered at Lessee's option to Lessor at separated at Lessee's separator ractities, the royalty shall be I WENTI FIVE FERCENT (22)% or such production, to be delivered at Lessee's option to Lessor's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is no such price then prevailing in the same field. price) for production of similar grade and gravity; (b) for gas (including casing head gas) and all other substances covered hereby, the royalty shall be TWENTY FIVE PERCENT (25)% of the proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and the costs incurred by Lessee in delivering, processing or otherwise marketing such gas or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the field, then in the nearest field in which there is such a prevailing in the same or nearest preceding date as the purchase contracts entered into on the same or nearest preceding date as the field in which there is such a prevailing price) pursuant to comparate or nearest preceding date as the field in which there is such as the same field (or if there is no such price in the eased premises or leased to preduction there from is not being sold by Lessee; provided that the lease is often and the eased premise or leased premises or lands pooled therewith, no shut-in royalty shall be due until the end of the 90-day period next following cessation PERCENT (25)% of the proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes

at the last address known to Lessee shall, at Lessee's request, deliver to Lessee a proper recordable instrument raming another institution as depository agent to receive to accept payment hereunder, Lesser shall, at Lessee's request, deliver to Lessee a proper recordable instrument raming another institution as depository agent to receive to accept payment hereunder, Lesser shall, at Lessee's request, deliver to Lessee a proper recordable instrument raming another institution as depository agent to receive to accept payment the provision of in Paragraph 3, above, if Lessee drills a well which is incapable of producing in paying quantities (hereinafter called "dry hole") on the leased premises or lands pooled therewith, or if all production (whether or not in paying quantities) permanently ceases from any cause, including a revision of unit boundaries of the provisions of Paragraph 5 or the action of any governmental another in the event the sales in not otherwise being maintained in force that any cause in the production of all production. If at on the leased premises or lands pooled therewith within 90 days after such cessation of all production. If at on the leased premises or lands pooled therewith, which is done on schemists being maintained in force but Lessee is then engaged in drilling, revorking or any other the end of the primary term, or at any time thereafter, his lease shall remain in force so lord or or such previous and previous previous previous productions reasonably calculated to obtain or restore productions reasonably calculated to obtain or restore productions reasonably calculated to obtain or restore productions are prosecuted with operations reasonably calculated to obtain or restore productions are prosecuted with operations reasonably calculated to obtain or restore productions are prosecuted with operations reasonably calculated to obtain or restore productions are prosecuted with a production in spring quantities interesting and the production is paying quantities fremework. The prod

of the leased premises of lands pooled the wint shall be reduced to as proposed to the leased premises.

8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days

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after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. In exploring for, developing, producin

the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. It cases eriseases all or an undvided interest in less than all of the area covered hereby. Lessee's obligation by or tender shuth-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized therewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be easonably necessary for such purposes, including but not limited to geophysical operations, the drilling of the conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of which and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, statistic produces and any other lands in which Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, noxivithational released or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, noxivithational release or lands pooled therewith, the ancillary rights granted premises or other lands used by Lessee hereunder, without Lessor's south distributions and the leased premises or lands production or distributions and the production or distributions and the leased premises or such other lands and used by L

Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

LESSOR (WHETHER ONE OR MORE)

Signature: Commy Moore	Signature:
Printed Name: CHARLES DOUGLAS MOORE	Printed Name:
STATE OF Lask ACKNOWLEDGMENT COUNTY OF Lask This instrument was acknowledged before me on the 30th day of July . 2010, by CHARLES DOUGLAS MOORE .	
NOTARY PUBLIC STATE OF WASHINGTON GLENDA J HERZOG MY COMMISSION EXPIRES 03/31/2012	Notary Rublic, State of Texas Notary's name (printed): Notary's commission expires:

CORPORATE ACKNOWLEDGMENT

STATE OF TEXAS COUNTY OF TARRANT

This instrument was acknowledged before me on the day of . 2010, by_ corporation, on behalf of said corporation. of а